



Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley & Washington counties

ECONOMIC OVERVIEW

The Boise-Nampa Metropolitan Statistical Area's seasonally adjusted unemployment rate rose a third of a point to 2.6 percent in October from September's 2.3 percent. Despite this increase, October's unemployment rate was two-tenths of a point below a year ago, and over 7,400 more people were working than in October 2006, a 2.6 percent gain. Total employment was down 2,300 from September as the labor force declined by 1,400 people, and the end of seasonal jobs put another 900 on the unemployment rolls.

Wages are working against both job seekers and employers, or more specifically the widening discrepancy between essentially stable wages and the ever rising costs of living. In a time of record low unemployment such as the last several years, the law of supply and demand would normally dictate rising wages as the number of available qualified workers declines. However, in the Boise metropolitan area this law has been slow to take effect. Employers want to hold the line on costs, and wages are a major one, but employees cannot live on those wages anymore. Compounding the problem is the lack of industry with high-paying jobs moving to the metro area and an influx instead of service businesses, which inherently pay less than the average. The industry that added more jobs to the economy than any other between October 2006 and October 2007 was retail trade at 2,500. Conversely, manufacturing, which typically offers higher pay checks, lost 900 jobs. Trade offs like this, while lowering the unemployment rate, aggravate the problem of low wages and leave many people underemployed. The metro area's labor market is still a job seeker's market, but the decreased supply of workers, fewer manufacturing jobs and low-paying service sector jobs make it a little tougher on everyone.

During October nonfarm jobs in the metro area declined by 600 from September but remained 7,300 higher than October 2006. The monthly decrease is seasonal, reflecting a slowing in construction with winter weather coming on. Recreational facilities decreased staff in the annual transition from the busy summer season to the winter months when business is a little slower. Further declines in manufacturing were not recorded in October but could occur in the coming months. The next

two months should bring significant gains in retail trade, transportation and health care along with other associated industries for the busy holiday shopping and shipping season and the onset of winter flu season.

Labor force and employment data for all 10 southwestern Idaho counties can be found on page 32.

AREA DEVELOPMENTS

BOISE/NAMPA MSA

- Boise based Winco recently opened its fifth store in the Boise metro area in Eagle. The store is approximately 92,000 square feet and is the largest of the company's metro locations. Winco is an employee owned corporation and is the third largest privately owned company in Idaho following J.R. Simplot Co. and Boise Cascade Corp.
- The College of Western Idaho is hoping to take over Boise State University's Larry Selland College of Applied Technology by January 2009. The College of Western Idaho is currently on schedule to start classes in adult basic education in January 2008 and to begin offering courses for credit by fall 2008.
- Boise-based construction and engineering firm Washington Group International, formerly known as Morrison Knudson, was recently sold to San Francisco-based URS Corp. for \$3.2 billion. The buyout was approved by 53 percent of Washington Group shareholders. It is unknown how the buyout may affect the company's 600 employees in Boise.
- As Idaho's largest private employer, Micron Technology continues to struggle financially, and more job cuts are likely on the way. According to company officials, Micron's SpecTek division in Nampa is considering cutting its work day back from 24 to 12 hours and may move production from Nampa to China.
- Ground has been broken on the new for-profit Riverside Hospital being built by a group of doctors in downtown Boise. At a cost of \$57 million, the 130,000-square-foot facility will have 54 rooms when completed in early 2009. It will employ 230, mostly in medical fields, and pay an average of over \$25 an hour.

- As metals prices continue to rise, mining companies are considering starting up abandoned mines. Most recently Standard Silver Corp. of Texas purchased the King Gold Mine near Grimes Creek about 50 miles north of Boise. Mining jobs are typically among the highest paying in any economy. The influx of new mining companies and the prospect of these mines coming online is an exciting development, especially since the region needs more high-paying jobs.
- Voters in the Caldwell School District have approved a \$30 million school bond to replace two run-down elementary schools, remodel the alternative school and make heating and air conditioning improvements in all schools.
- More homes are coming on the rental market in the Boise metro area. Vacancy rates jumped from 2.4 percent last spring to 6.7 percent during the third quarter. During the same period, apartment vacancy rates only increased from 2.5 to 3.6 percent because apartments are cheaper to rent than houses. For instance, the median rent for a two bedroom home during the third quarter was \$727 per month compared with \$771 for a three plus bedroom apartment or \$602 for a two bedroom apartment and \$493 for a one bedroom apartment. A three bedroom home carries a median rent of \$940.
- A new x-ray center has opened its doors in Caldwell. Imaging Center of Idaho has an 8,000-square-foot facility in the Sky Ranch Business Park, which is also the site of Thomas Jefferson Charter School, a new Idaho Athletic Club and the state Department of Labor's new Canyon County office. Imaging Center of Idaho will offer a wide variety of services from bone density imaging to MRIs.
- In more bad news for some Boise workers, Super-Valu announced the transfer of 180 information technology jobs to India. The company has not publicly disclosed how many of those 180 jobs are located in Boise.

PAYETTE COUNTY

- The city of Payette and Seneca Foods have agreed on a new wastewater discharge permit. The negotiation began in 2002, and the new permit will expire in 2012. Over the past five years Seneca accrued \$143,000 in discharge fees that the agreement waives if Seneca reinvests the money in its wastewater treatment facilities.
- Construction is under way on the road for the new Hannigan Motors Automall near Interstate 84 in Fruitland. The road is being partially funded by a community development block grant administered by the Idaho Department of Commerce. The new Gen-

eral Motors dealership is scheduled to be open in late 2008.

- The U.S. Department of Agriculture recently granted Boise State University's Larry Selland College of Applied Technology five new welding machines for Payette High School. The machines were provided under a grant to expand the skilled labor pool in the rural area.

VALLEY COUNTY

- In another real estate offering recently completed by Tamarack Resort, 17 more properties were sold for \$16.5 million that will be used to further develop the resort. The properties, located at the entryway to Tamarack's Osprey Meadows Golf Course, sold for between \$495,000 and \$3.1 million apiece.
- Tamarack Resort also sold \$17.2 million in property to luxury developer Elan Collection LLC to build 60 new condos. The property is located on the north side of the Village Plaza near the Tamarack Express chair lift. Pending design approvals, construction should begin sometime in 2008.

WASHINGTON COUNTY

- The city of Weiser has completed its water treatment facility financed from a bond passed in 2001. The project included construction of a water cleaning facility where chemicals are introduced to make the water taste better and to reduce any odors, a sand filtering facility that cleanses 30,000 gallons of water in only eight minutes and a new 500,000-gallon storage tank.
- Washington County commissioners accepted a \$365,500 bid for remodeling the county courthouse annex. The 40-year-old annex houses the Magistrate Court and the Washington County Extension Office. The project will include energy efficiency improvements, heightened security and better use of the 5,200-square-foot building.

See page 32 for the southwestern Idaho labor force and nonfarm jobs data tables for October 2007.

John Panter, Regional Economist
205 E. Watertower Lane, Meridian, ID 83642
(208) 364-7785, ext. 3599
E-mail: john.panter@labor.idaho.gov

SIGN UP TODAY...

For a free electronic subscription service to get the latest Idaho and U.S. economic information delivered to your e-mail inbox.

Log onto ***Imi.idaho.gov*** and click
"Request Notification."

It's easy and free!

Southwestern Idaho Data—October 2007

Boise City-Nampa MSA Labor Force & Employment — Ada, Canyon, Boise, Gem and Owyhee counties

	Oct 2007*	Sept 2007	Oct 2006	% Change Last Month	% Change Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	304,800	301,600	297,300	1.1	2.5
Unemployment	6,900	6,900	8,500	0.0	-18.8
% of Labor Force Unemployed	2.3	2.3	2.9		
Total Employment	297,900	294,700	288,800	1.1	3.2
Unadjusted					
Civilian Labor Force	302,800	301,500	292,300	0.4	3.6
Unemployment	5,200	6,200	7,200	-16.1	-27.8
% of Labor Force Unemployed	1.7	2.1	2.5		
Total Employment	297,600	295,300	285,100	0.8	4.4
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	282,700	280,100	272,900	0.9	3.6
GOODS-PRODUCING INDUSTRIES	56,400	57,100	57,200	-1.2	-1.4
Natural Resources & Construction	25,800	26,200	25,500	-1.5	1.2
Construction	25,400	25,800	25,200	-1.6	0.8
Manufacturing	30,600	30,900	31,700	-1.0	-3.5
Durable Goods	24,600	24,900	25,500	-1.2	-3.5
Wood Product Manufacturing	2,500	2,500	2,600	0.0	-3.8
Fabricated Metal Products Mfg.	1,600	1,600	1,600	0.0	0.0
Machinery Manufacturing	1,300	1,300	1,300	0.0	0.0
Computer & Electronic Manufacturing	14,000	14,100	15,000	-0.7	-6.7
Transportation Equipment Mfg.	2,300	2,300	2,300	0.0	0.0
Other Durable Goods	2,900	3,100	2,700	-6.5	7.4
Nondurable Goods	6,000	6,000	6,200	0.0	-3.2
Food Manufacturing	4,400	4,400	4,200	0.0	4.8
Printing & Related Support Activities	700	800	700	-12.5	0.0
Other Nondurable Goods	900	800	1,300	12.5	-30.8
SERVICE-PROVIDING INDUSTRIES	226,300	223,000	215,700	1.5	4.9
Trade, Transportation, & Utilities	56,300	55,800	52,800	0.9	6.6
Trade	48,600	48,100	45,100	1.0	7.8
Wholesale Trade	13,000	12,600	12,100	3.2	7.4
Wholesalers, Durable Goods	6,900	7,000	6,900	-1.4	0.0
Wholesalers, Nondurable Goods	4,100	4,000	3,800	2.5	7.9
Retail Trade	35,600	35,500	33,000	0.3	7.9
Food & Beverage Stores	4,800	4,700	4,700	2.1	2.1
General Merchandise Stores	7,300	7,300	6,800	0.0	7.4
All Other Retail Trade	23,500	23,500	21,500	0.0	9.3
Transportation, Warehousing, & Utilities	7,700	7,700	7,700	0.0	0.0
Utilities	700	700	700	0.0	0.0
Transportation & Warehousing	7,000	7,000	7,000	0.0	0.0
Information	4,700	4,700	4,600	0.0	2.2
Telecommunications	1,500	1,500	1,400	0.0	7.1
Financial Activities	15,400	15,400	14,300	0.0	7.7
Finance & Insurance	10,700	10,800	9,900	-0.9	8.1
Real Estate & Rental & Leasing	4,700	4,600	4,400	2.2	6.8
Professional & Business Services	42,000	41,100	40,700	2.2	3.2
Professional, Scientific, & Technical	12,500	12,000	12,200	4.2	2.5
Management of Companies & Ent.	5,600	5,500	5,700	1.8	-1.8
Administrative & Support & Waste Mgmt.	23,900	23,600	22,800	1.3	4.8
Educational & Health Services	33,400	32,900	32,000	1.5	4.4
Educational Services	2,300	2,300	2,400	0.0	-4.2
Health Care & Social Assistance	31,100	30,600	29,600	1.6	5.1
Hospitals	10,300	10,000	9,500	3.0	8.4
Leisure & Hospitality	24,200	24,700	24,000	-2.0	0.8
Arts, Entertainment, & Recreation	2,400	3,000	3,200	-20.0	-25.0
Accommodation & Food Services	21,800	21,700	20,800	0.5	4.8
Accommodation	2,700	2,300	2,200	17.4	22.7
Food Services & Drinking Places	19,100	19,400	18,600	-1.5	2.7
Other Services	7,900	8,000	6,600	-1.3	19.7
Total Government	42,400	40,400	40,700	5.0	4.2
Federal Government	5,900	6,000	5,900	-1.7	0.0
State & Local Government	36,500	34,400	34,800	6.1	4.9
State Government	13,200	12,600	13,400	4.8	-1.5
State Government Education	4,200	3,600	4,600	16.7	-8.7
State Government Administration	9,000	9,000	8,800	0.0	2.3
Local Government	23,300	21,800	21,400	6.9	8.9
Local Government Education	15,000	12,900	13,300	16.3	12.8
Local Government Administration	8,300	8,900	8,100	-6.7	2.5

* Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

October 2007 Seasonally Adjusted Labor Force Figures for Southwestern Idaho Counties

	Ada	Adams	Boise	Canyon	Elmore	Gem	Owyhee	Payette	Valley	Washington	Statewide
Civilian Labor Force	202,056	1,972	3,921	84,656	11,230	7,696	5,084	10,964	4,976	5,175	766,479
Number Unemployed	4,894	109	93	1,863	2,498	197	85	331	204	141	19,338
Percent Unemployed	2.4	93	2.4	3,828	3.0	2.6	1.7	3.0	4.1	2.7	2.5
Number Employed	197,162	2,498	3,828	82,158	82,158	7,498	4,998	10,634	4,771	5,034	747,141